

CITY CHARTER

CITY OF FRISCO TEXAS

CITY CHARTER COMMISSION
Originally Adopted JANUARY, 1987

CITY CHARTER REVIEW COMMISSION
First Amended MAY, 2002

Mayor Randy Elliott
City Hall
Frisco, Texas 75034

Dear Mayor Elliott:

Attached is the proposed Home Rule Charter for the City of Frisco. The Charter Commission, which was elected on the 9th day of August, 1986, has completed its work and submits this Charter for approval by the voters.

The Charter shall be submitted to the qualified voters of the City of Frisco for adoption or rejection at a City election, to be held on April 4, 1987, at which election if a majority of the qualified voters voting in such election shall vote in favor of the adoption of this Charter, it shall then immediately become the Charter and governing law of the City of Frisco until amended or rejected. Submission of this Charter by sections being impractical, it is hereby prescribed that the form of ballot to be used in such election shall be as follows:

____ FOR THE ADOPTION OF THE CHARTER

____ AGAINST THE ADOPTION OF THE CHARTER

The City Secretary shall mail a copy of the Charter to each registered voter of the City of Frisco not less than thirty (30) days prior to the date of the election.

We, the duly elected and undersigned members of the Home Rule Charter Commission of the City of Frisco, wish to express publicly our deep appreciation to you and the other officers and employees of the City and to the citizens of Frisco for the support, encouragement, and the trust given our efforts in the preparation of this document. We submit to you and them our work, our interest, and our effort for implementation.

Respectfully submitted,

HOME RULE CHARTER COMMISSION

**HOME RULE
CHARTER
OF
THE CITY OF FRISCO, TEXAS**

To be submitted to a vote of the people on:
Originally Submitted April 4, 1987
First Amendment Submitted May 4, 2002

TABLE OF CONTENTS

ARTICLE I Form of Government and Boundaries

Sec. 1.01	Form of Government	1
Sec. 1.02	The Boundaries	1
Sec. 1.03	Extension of Boundaries	1

ARTICLE II Powers of the City

Sec. 2.01	General Powers of the City	2
Sec. 2.02	Public Improvements	2
Sec. 2.03	Miscellaneous Powers	2

ARTICLE III The City Council

Sec. 3.01	Composition	2
Sec. 3.02	Limitations on Terms	3
Sec. 3.03	Qualifications of City Council	4
Sec. 3.04	Compensation	4
Sec. 3.05	Mayor, Mayor Pro-Tem, and Deputy Mayor Pro-Tem	4
Sec. 3.06	Vacancies, Forfeiture and Filling of Vacancies	4
Sec. 3.07	Powers of the City Council	5
Sec. 3.08	Prohibitions	6
Sec. 3.09	Meetings of the City Council	6
Sec. 3.10	Quorum	6
Sec. 3.11	Conflict of Interest	6
Sec. 3.12	Abstention	6
Sec. 3.13	Rules of Procedures	7
Sec. 3.14	Passage of Ordinances in General	7
Sec. 3.15	Emergency Ordinances	7
Sec. 3.16	Authentication, Recording, Codification, Printing and Distribution	8
Sec. 3.17	Investigations by the City Council	8
Sec. 3.18	Bond	9

ARTICLE IV City Administration

Sec. 4.01	City Manager	9
Sec. 4.02	City Secretary	10
Sec. 4.03	Municipal Court	11
Sec. 4.04	City Attorney	11
Sec. 4.05	Administrative Departments, Offices and Agencies	12
Sec. 4.06	Personnel System	12

ARTICLE V Nominations and Elections

Sec. 5.01	City Elections	13
Sec. 5.02	Filing for Office	13
Sec. 5.03	Official Ballots	13
Sec. 5.04	Official Results	14

Sec. 5.05	Taking of Office	14
-----------	------------------	----

ARTICLE VI Recall, Initiative, and Referendum

Sec. 6.01	Scope of Recall	15
Sec. 6.02	Petitions for Recall	15
Sec. 6.03	Form of Recall Petition	15
Sec. 6.04	Various Papers Constituting Petition	16
Sec. 6.05	Presentation of Petition to the City Council	16
Sec. 6.06	Public Hearing to be Held	16
Sec. 6.07	Calling of Recall Election	16
Sec. 6.08	Ballots in Recall Election	16
Sec. 6.09	Result of Recall Election	16
Sec. 6.10	Recall, Restrictions Thereon	17
Sec. 6.11	Failure of the City Council to Call an Election-Recall	17
Sec. 6.12	General Power of Initiative and Referendum	17
Sec. 6.13	Initiative	17
Sec. 6.14	Referendum	18
Sec. 6.15	Voluntary Submission of Legislation by the City Council.	18
Sec. 6.16	Form of Ballots	18
Sec. 6.17	Publication of Proposed and Referred Ordinances	18
Sec. 6.18	Adoption of Ordinances	19
Sec. 6.19	Inconsistent Ordinances	19
Sec. 6.20	Ordinances Passed by Popular Vote, Repeal or Amendment	19
Sec. 6.21	Further Regulations by the City Council	19
Sec. 6.22	Franchise Ordinances	19
Sec. 6.23	Failure of the City Council to Call an Election-Initiative or Referendum	19

ARTICLE VII Financial Procedures

Sec. 7.01	Fiscal Year	19
Sec. 7.02	Submission of Budget and Budget Message	20
Sec. 7.03	Budget Message	20
Sec. 7.04	Budget a Public Record	20
Sec. 7.05	Public Hearing on Budget	20
Sec. 7.06	Proceeding on Adoption of Budget	20
Sec. 7.07	Budget, Appropriation and Amount to be Raised by Taxation	20
Sec. 7.08	Contingent Appropriation	20
Sec. 7.09	Amending the Budget	21
Sec. 7.10	Certification; Copies Made Available	21
Sec. 7.11	Capital Program	21
Sec. 7.12	Defect Shall Not Invalidate the Tax Levy	21
Sec. 7.13	Lapse of Appropriations	21
Sec. 7.14	Borrowing	21
Sec. 7.15	Purchasing	22
Sec. 7.16	Administration of Budget	23
Sec. 7.17	Depository	23
Sec. 7.18	Independent Audit	23

Sec. 7.19	Power to Tax	24
Sec. 7.20	Office of Tax Collector	24
Sec. 7.21	Taxes; When Due and Payable	24
Sec. 7.22	Tax Liens, Liabilities and Suits	24
ARTICLE VIII Boards and Commissions		
Sec. 8.01	Authority, Composition and Procedures	25
ARTICLE IX Planning & Zoning Commission		
Sec. 9.01	Organization	25
Sec. 9.02	Duties and Powers	26
Sec. 9.03	Procedure	26
Sec. 9.04	The Comprehensive Plan: Procedure and Legal Effect	27
Sec. 9.05	Board of Adjustment	27
ARTICLE X Utility and Public Service Franchises and Licenses		
Sec. 10.01	Authority	28
Sec. 10.02	Ordinance Granting Franchise	28
Sec. 10.03	Transfer of Franchise	28
Sec. 10.04	Franchise Value Not to be Allowed	28
Sec. 10.05	Right of Regulation	28
Sec. 10.06	Regulation of Rates	29
Sec. 10.07	Licenses	29
ARTICLE XI General Provisions		
Sec. 11.01	Public Records	29
Sec. 11.02	Official Newspaper	30
Sec. 11.03	Oaths	30
Sec. 11.04	Severability	30
Sec. 11.05	Wording Interpretation	30
Sec. 11.06	Amendment of Charter	30
Sec. 11.07	Charter Review Commission	30
Sec. 11.08	City Depository	31
ARTICLE XII Legal Provisions		
Sec. 12.01	Assignment, Execution and Garnishment	31
Sec. 12.02	Security and Bond	31
Sec. 12.03	Notice of Claim	31
Sec. 12.04	Power to Settle Claims	32
Sec. 12.05	Service of Process Against the City	32
Sec. 12.06	Judicial Notice	32
Sec. 12.07	Pending Matters	32
Sec. 12.08	Property Not Exempt from Special Assessments	32
Sec. 12.09	City Council May Require Bonds	32
Sec. 12.10	Disaster Clause	32

ARTICLE XIII Transitional Provisions	
Sec. 13.01 Effective Date	33
Sec. 13.02 Continuation of Elective Offices	33
Sec. 13.03 Continuation of Operation	33
Sec. 13.04 Officers and Employees	33
ARTICLE XIV Nepotism, Prohibitions and Penalties	
Sec. 14.01 Nepotism	33
Sec. 14.02 Equality of Rights	33
Sec. 14.03 Wrongful Influence	34
Sec. 14.04 Wrongful Interference	34
Sec. 14.05 Employee's Political Activities	34
Sec. 14.06 Penalties	34
Sec. 14.07 Indebtedness to City	34
Sec. 14.08 Conflict of Interest	34
Sec. 14.09 No Officer or Employee to Accept Gifts, Etc	34

**HOME RULE CHARTER
FOR
THE CITY OF FRISCO, TEXAS**

PREAMBLE

We, the citizens of Frisco, Texas, in order to establish a Home Rule municipal government, provide for the future progress of our City and obtain more fully the benefits of local self-government, and provide for the public welfare, hereby adopt this Home Rule Charter, in accordance with the statutes of the State of Texas; and do hereby declare the residents of the City of Frisco, in Collin and Denton County, Texas living within the legally established boundaries of the said City, to be a political subdivision of the State of Texas, incorporated forever under the name and style of the "City of Frisco" with such powers, rights, privileges, authorities, duties, and immunities, as are herein provided.

ARTICLE I

Form of Government and Boundaries

SECTION 1.01 Form of Government

The municipal government provided by this Charter, shall be known as the "Council-Manager Government". Pursuant to its provisions, and subject only to the limitations imposed by the State Constitution, the statutes of this State, and by this Charter, all powers of the City shall be vested in an elective council, hereinafter referred to as the "City Council", which shall enact local legislation, adopt budgets, determine policies, and appoint the City Manager, who in turn, shall be held responsible to the City Council for the execution of the laws and the administration of the government of the city. All powers of the City shall be exercised in the manner prescribed by this Charter, or if the manner not be prescribed, then in such manner as may be prescribed by ordinance, the State Constitution, or by the statutes of the State of Texas.

SECTION 1.02 The Boundaries

The citizens of the City, Collin and Denton County, Texas, residing within its corporate limits, as heretofore or hereafter established, are hereby constituted and shall continue to be a municipal body politic and corporate, in perpetuity, under the name of the "City of Frisco" with such powers, privileges, rights, duties, authorities, and immunities, as are herein provided.

SECTION 1.03 Extension of Boundaries

The boundaries of the City may be enlarged and extended by the annexation of additional territory, irrespective of size and configuration, by the method hereinafter set forth:

- (1) The City Council shall have the power by ordinance to fix the boundary limits of the City and to provide for the alteration and extension of said boundary limits, and the annexation of additional territory lying adjacent to the City, in any manner provided by law.

- (2) When any additional territory has been so annexed, same shall be a part of the City and the property situated therein shall bear taxes levied by the City, and the citizens thereof shall be entitled to all the rights and privileges of the other citizens of said City, and shall be bound by the acts, ordinances, resolutions, and regulations of the City.

ARTICLE II

Powers of the City

SECTION 2.01 General Powers of the City

The City shall have all powers and rights of self-government and home rule that exists now or may be granted to municipalities by the Constitution and laws of the State of Texas, unless such power or right is expressly prohibited or restricted by this Charter.

SECTION 2.02 Public Improvements

The City shall have the power to, among others, construct and maintain, within or without its corporate limits, streets, flood control and sanitary facilities, water and storm drainage facilities in, over, under or upon all public property or easements granted for that purpose and to levy assessments for the costs of such improvements. The City shall have the power to collect attorney's fees for the collection of paving assessment in foreclosure cases as allowed under state law. It shall have the power to cause liens to be established for the purpose of securing the payment of such levies and shall have the power to compel the use of such improvements by the citizens of the City.

SECTION 2.03 Miscellaneous Powers

The City shall have the power to, among others, establish and maintain ordinances and regulations governing the use of lands within the City and to enforce by all lawful means these ordinances and regulations, within and without its corporate limits. The City shall have the power to authorize, regulate and inspect all construction and existing structures within or without its limits, consistent with state statutes, and to establish and enforce ordinances and regulations concerning their use, construction and reconstruction. The City shall have the power to license and regulate persons, corporations and associations engaged in any business, occupation, profession or trade when authorized by state law. The City shall have all powers granted by any section of this Charter.

ARTICLE III

The City Council

SECTION 3.01 Composition

- (1) The "City Council" shall be composed of a "Mayor" and six "Council Members" elected under the Place System, with there being Places 1, 2, 3, 4, 5 and 6. The

Mayor and each Council Member shall be elected at large, and unless sooner removed under the provisions of this Charter, shall serve for a term of three (3) years, and until their successor has been elected and duly qualified. All of the City Council holding office at the time of passage of any amendments to this Charter shall continue to hold their respective office until the respective term for which they were elected expires.

- (2) Terms of the Council Members shall be staggered so that every year there shall be an election for two (2) of the Places.
- (3) To initiate the three (3) year staggered terms, beginning with the May 2002 election, for Places 2, 4 and 6, there shall be a drawing of lots following the election to determine which two (2) Places shall receive two-year terms and which one Place shall receive a three-year term; thereafter all of said Places shall have three-year terms; and for the May 2003 election, for Places 1, 3 and 5 there shall be a drawing of lots following the election to determine which one Place shall receive a two-year term, and which two (2) Places shall receive a three-year term; thereafter, all of said Places shall have three-year terms. The Mayor shall have a three-year term beginning with the May 2002 election.
- (4) To account for the transition from three (3) consecutive terms to two (2) consecutive terms, any person who is a sitting Council Member on January 1, 2002 shall be allowed to serve three (3) consecutive terms as a Council Member, regardless of the length of the terms. The term the Council Member is currently filling as of January 1, 2002, and all terms consecutively served prior to that current term shall count for purposes of determining whether three (3) consecutive terms have been served.

SECTION 3.02 Limitations on Terms

No person shall serve as Mayor for more than two (2) consecutive elected terms, and no person shall serve as Council Member for more than two (2) consecutive elected terms. No person shall serve as Council Member and Mayor (combined) for more than twelve (12) consecutive years.

For purposes of this Section 3.02 and computing the limitations on terms:

- (1) a Mayor or Council Member, who vacates, for any reason, City office before the end of the term for which he was elected, shall be considered to have completed that term.
- (2) an appointment or election to fulfill an unexpired Council Member term, or unexpired Mayor term if applicable, shall be computed as follows:
 - (i) if fifty percent (50%) or more of the term is remaining, it shall be included in the computation of term limits; or
 - (ii) if less than fifty percent (50%) of the term is remaining, it shall not be included in the computation of term limits.

Any Council Member or Mayor, who is ineligible to run for elected City office due to the limitations on terms as provided herein, shall remain ineligible to hold an elected City office for a period of ten (10) months following the expiration of the most recent term of City office for which he or she was elected.

SECTION 3.03 Qualifications of City Council

In addition to any other qualifications prescribed by law, the Mayor and each Council Member shall meet the qualifications set forth in Article V of this Charter while in office.

SECTION 3.04 Compensation

Compensation of the City Council shall be determined by the City Council by ordinance, but no increase in such compensation shall take effect until commencement of the terms of Mayor and/or Council Members elected at the next regular election. The City Council shall also be entitled to reimbursement for actual expenses incurred in the performance of official duties with the approval of the City Council at a public meeting.

SECTION 3.05 Mayor, Mayor Pro-Tem and Deputy Mayor Pro-Tem

- (1) The Mayor shall preside at meetings of the City Council, and shall be recognized as head of the City government for all ceremonial purposes, and by the Governor for purposes of military law, but shall have no regular administrative duties. The Mayor may participate in the discussion of all matters coming before the City Council. The Mayor shall not be entitled to vote as a member thereof, on legislative or other matters, except in case of a tie, when the Mayor shall cast the deciding vote, but shall have no power to veto.
- (2) The Mayor Pro-Tem shall be a Council Member elected by the City Council at the first regular meeting after each election of Council Members and/or Mayor. The Mayor Pro-Tem shall act as Mayor during the disability or absence of the Mayor, and in this capacity shall have the rights conferred upon the Mayor.
- (3) The Deputy Mayor Pro-Tem shall be a Council Member elected by the City Council at the first regular meeting after each election of Council Members and/or Mayor. The Deputy Mayor Pro-Tem shall act as Mayor during the disability or absence of the Mayor and Mayor Pro-Tem, and in this capacity shall have the rights conferred upon the Mayor.

SECTION 3.06 Vacancies, Forfeiture and Filling of Vacancies

- (1) The office of a Council Member or the Mayor shall become vacant upon his or her death, resignation, forfeiture of, or removal from office by any manner authorized by law.
- (2) If any Member of the City Council is absent from three (3) consecutive regular meetings, without explanation acceptable to a majority of the remaining Council Members, his or her office shall be declared vacant at the next regular meeting of the City Council by resolution.
- (3) Any person on the City Council who ceases to possess the required qualifications for office or who is convicted of a felony or of a misdemeanor involving moral turpitude or is convicted of violating any state laws regulating conflicts of interest of municipal officers shall forfeit his or her office. Every forfeiture shall be declared and enforced by the City Council.
- (4) If there is a vacancy in the office of Mayor, a new Mayor shall be elected by special election within one hundred twenty (120) days after such vacancy occurs, in accordance with the Texas Constitution and the Texas Election Code.

- (5) A vacancy in the office of a Council Member, shall be filled by special election within one hundred twenty (120) days after such vacancy occurs, in accordance with the Texas Constitution and the Texas Election Code. If the vacated office is that of Mayor Pro-Tem or Deputy Mayor Pro-Tem, the City Council shall elect a new Mayor Pro-Tem or Deputy Mayor Pro-Tem at the next regular meeting.
- (6) Vacancies filled by special election shall be for the remainder of the term that was vacated.

SECTION 3.07 Powers of the City Council

All powers of the City and the determination of all matters of policy shall be vested in the City Council. Except where in conflict with and otherwise expressly provided by this Charter, the City Council shall have all powers authorized to be exercised by the Constitution and laws of the United States and the State of Texas and the acts amendatory thereof and supplementary thereto, now or hereafter enacted. Without limitation of the foregoing and among the other powers that may be exercised by the City Council, the following are hereby enumerated for greater certainty:

- (1) Appoint and remove the City Manager;
- (2) Appoint and remove the Municipal Judge(s) of the Municipal court;
- (3) Appoint and remove the City Attorney;
- (4) Appoint and remove the City Secretary;
- (5) Establish administrative departments;
- (6) Adopt the budget of the City;
- (7) Collectively inquire into the conduct of any office, department or agency of the City and make investigations as to municipal affairs;
- (8) Provide for a Planning & Zoning Commission and a Board of Adjustment and other boards as deemed necessary, and appoint the members of all such boards and commissions. Such boards and commissions shall have all powers and duties now or hereafter conferred and created by this Charter, by City ordinance or by law;
- (9) Adopt and modify the official map of the City;
- (10) Adopt, modify and carry out plans in cooperation with the Planning & Zoning Commission for the replanning, improvement and redevelopment of specific areas of the City;
- (11) Adopt, modify and carry out plans in cooperation with the Planning & Zoning Commission for the replanning, reconstruction or redevelopment of any area or district which may have been destroyed in whole or part by disaster;
- (12) Regulate, license and fix the charges or fares made by any person owning, operating or controlling any vehicle of any character used for the carrying of passengers for hire on the public streets and alleys of the City;
- (13) Provide for the establishment and designation of fire limits and prescribe the kind and character of buildings or structures or improvements to be erected therein; provide for the erection of fireproof buildings within certain limits; and provide for the condemnation of dangerous structures of buildings or dilapidated buildings or buildings calculated to increase the fire hazard, and the manner of their removal or destruction;
- (14) Fix and regulate rates and charges of all utilities and public services;
- (15) Adopt plats, unless the City Council votes to give this authority exclusively to the Planning & Zoning Commission.

SECTION 3.08 Prohibitions

- (1) Except where authorized by law or by this Charter, no Mayor or Council Member shall hold any other City office or City employment during his or her term as Mayor or Council Member. No former Mayor or Council Member shall hold any compensated appointive office or City employment until one (1) year after the expiration of the term for which they were elected or appointed to the City Council.
- (2) Members of the City Council shall not in any way dictate the appointment or removal of the City administrative officers or employees whom the City Manager or any of the City Manager's subordinates are empowered to appoint. The City Council, at a meeting called for that purpose, may express its views and fully and freely discuss with the City Manager anything pertaining to appointment and removal of such officers and employees.
- (3) Except for the purpose of inquiries and investigations as provided by this Charter, the City Council shall deal with City officers and employees who are subject to the direction and supervision of the City Manager solely through the City Manager. The City Council shall not give orders to any such officer or employee either publicly or privately except as otherwise provided in this Charter.

SECTION 3.09 Meetings of the City Council

- (1) The City Council shall hold at least two (2) regular meetings each month and as many additional meetings as it deems necessary to transact the business of the City. The City Council shall fix by ordinance the date and time of the regular meetings.
- (2) Special meetings of the City Council shall be held at the call of the Mayor or a majority of the Council Members upon provision of public notice in accordance with state law.
- (3) Except as provided by state law, all City Council meetings shall be open to the public and shall be held and notice given in accordance with the Texas Open Meetings Act.

SECTION 3.10 Quorum

Four (4) Council Members shall constitute a quorum for the purpose of transaction of business. No action of the City Council, except as specifically provided in this Charter, shall be valid or binding unless adopted by the affirmative vote of a majority of the City Council present.

SECTION 3.11 Conflict of Interest

Should any person on the City Council have a conflict of interest, pursuant to any state laws and/or City ordinances regulating conflicts of interest of municipal officers, with an agenda item then before the City Council, he or she shall openly declare same before discussion proceeds, and he or she is thereby prohibited from discussing the item or voting on the question, and is not considered as present and voting for the purposes of the tally.

SECTION 3.12 Abstention

Should any person on the City Council choose to abstain from voting on any question before the City Council, where no conflict of interest exists, the person's vote shall be recorded as a negative vote in the official minutes of the meeting.

SECTION 3.13 Rules of Procedure

The City Council shall determine its own rules of order and business. The City Council shall provide that the citizens of the City shall have a reasonable opportunity to clearly hear and be heard at public hearings with regard to specific matters under consideration. The City Council shall provide for minutes to be taken and recorded for all public meetings as required by law. Such minutes shall be a public record and shall be kept and maintained by the person performing the duties of the City Secretary.

SECTION 3.14 Passage of Ordinances in General

- (1) The City Council shall legislate by ordinance only, and the enacting clause of every ordinance shall be "Be it ordained by the City Council of the City of Frisco, Texas . . .". Each proposed ordinance shall be introduced in the written or printed form required for adoption. No ordinance shall contain more than one (1) subject which shall be clearly expressed in its title. General appropriation ordinances may contain various subjects and accounts for which monies are to be appropriated. After adoption, an ordinance shall not be amended or repealed except by the adoption of another ordinance amending or repealing the original ordinance. Copies of any proposed ordinance, in the form required for adoption, shall be furnished to the City Council. Copies of the proposed ordinance, in the form required for adoption, shall be available at the City offices and shall be furnished citizens upon request to the City Secretary from and after the date on which such proposed ordinance is posted as an agenda item for a City Council meeting and, if amended, shall be available and furnished in amended form for as long as the proposed ordinance is before the City Council.
- (2) A proposed ordinance which has been amended in substance after its placement on the agenda for a City Council meeting may not be voted on at such meeting. Such amended ordinance shall be placed upon the agenda of a subsequent meeting of the City Council in accordance with the provisions of this Article. All persons interested in such ordinance shall have a reasonable opportunity to be heard.
- (3) Every ordinance shall become effective upon adoption or at any later time(s) specified in the ordinance, except that every ordinance imposing any penalty, fine or forfeiture shall become effective only after having been published twice in its entirety or summary form after adoption, in a newspaper designated as the official newspaper of the City.
- (4) If a majority of the City Council present request that the ordinance title and caption or its entirety be read, it must be read.

SECTION 3.15 Emergency Ordinances

- (1) The City Council may adopt emergency ordinances only to meet public emergencies affecting life, health, property or the public peace. In particular, such ordinances shall not levy taxes, grant or renew or extend a franchise, or regulate the rate charged by any public utility for its services. Neither shall they authorize the borrowing of money except as provided elsewhere in this Charter.
- (2) An emergency ordinance shall be introduced in the form and manner generally prescribed for ordinances, except that they shall be plainly designated in the title as

an emergency ordinance and shall contain after the enacting clause a declaration stating that an emergency exists and describing the emergency in clear and specific terms.

- (3) An emergency ordinance may be introduced at any City Council meeting and can be adopted with or without amendment or rejected at the meeting at which it is introduced. The affirmative vote of at least five (5) Council Members shall be required for adoption.
- (4) Emergency ordinances shall become effective upon adoption and shall be published as soon thereafter as practicable. Every emergency ordinance so adopted, except one authorizing the borrowing of money as described herein, is automatically repealed as of the sixty-first (61st) day following the day on which it became effective. The ordinance may be re-enacted if the emergency still exists.

SECTION 3.16 Authentication, Recording, Codification, Printing and Distribution

- (1) All ordinances and resolutions adopted by the City Council shall be authenticated by seal and signature of the person performing the duties of the City Secretary and numbered consecutively as adopted. They shall be properly indexed and placed in a book kept open for public inspection.
- (2) The City Council may maintain the codification of ordinances of the City. This codification shall be known and cited as “The Frisco City Code” and shall be in full force and effect without the necessity of such code or any part thereof being published in any newspaper. The caption, descriptive clause and other formal parts of the ordinances of the City may be omitted without affecting the validity of such ordinances when codified. Every general ordinance enacted subsequent to such codification shall be enacted as an amendment to the code. For the purpose of this section, general ordinances shall be deemed to be those ordinances of a permanent or continuing nature which affect the residents of the City at large. Copies of the code shall be furnished to City Officers, placed in City offices and made available for purchase by the public at a reasonable price to be fixed by the City Council.
- (3) The City Council shall cause all ordinances and amendments to this Charter to be printed promptly following their adoption. A copy of each ordinance and amendment shall be placed in appropriate City offices for public reference. Printed ordinances and Charter amendments shall be sold to the public at a reasonable price to be fixed by the City Council.

SECTION 3.17 Investigations by the City Council

The City Council shall have the power to inquire into the official conduct of any department, agency, office, officer or employee of the City. For that purpose, the City Council shall have the power to administer oaths, subpoena witnesses and compel the production of books, papers or other evidence material to the inquiry. The City Council shall provide, by ordinance, penalties for contempt for failing or refusing to obey any such subpoena or to produce any such books, papers, or other evidence, and shall have the power to punish any such contempt in the manner provided by the ordinance.

SECTION 3.18 Bond

The City Council shall require bonds of all municipal officers and employees who receive or pay out any monies of the City. The amount of the bonds shall be determined by the City Council and the cost shall be borne by the City.

ARTICLE IV

City Administration

SECTION 4.01 City Manager

- (1) The City Council shall appoint, upon the affirmative vote of a majority of the full membership of the City Council, a City Manager who shall serve as Chief Administrative Officer of the City. The City Manager shall be responsible to the City Council for administration of all the affairs of the City, with only those exceptions that are named in this Charter. The City Manager shall be appointed solely upon the City Manager's executive, administrative and educational qualifications, and shall have previous city manager or assistant city manager experience and/or a degree in a field related to city government. The City Manager need not be a resident of the City when appointed, but shall, within a reasonable time after such appointment, reside within the City during the balance of the tenure of his or her appointment.
- (2) The City Council shall fix the compensation of the City Manager, and the City Manager's compensation may be amended, from time to time, in accordance with the City Manager's experience, qualifications and performance.
- (3) The City Manager shall be appointed for an indefinite term, and may be removed at the discretion of the City Council by the affirmative vote of a majority of the full membership of the City Council. Upon decision to remove the City Manager, notice, in writing, of such decision shall be immediately furnished to him and the City Council may then suspend him from duty.
 - (A) If, within five (5) days after being notified of his or her termination and removal, the City Manager files a written request to the City Council requesting that his or her termination be reconsidered, the City Council shall, as soon as practical, meet with the City Manager in accordance with the Texas Open Meetings Act to review its decision to terminate.
 - (B) After such review, after affording the City Manager an opportunity to respond to such initial decision to terminate, a new vote shall be taken with regards to termination of the City Manager.
 - (C) The City Manager shall, from the date of suspension, continue to receive his or her salary pending the final decision of the City Council.
 - (D) This procedure for a review meeting with the City Manager shall not alter the fact that the City Manager serves at the pleasure of the City Council and the City Manager shall not have, nor should this procedure be construed to grant to the City Manager, right to continued employment.

- (4) In case of the absence, disability or suspension of the City Manager, the City Council may designate a qualified administrative officer of the City to perform the duties of the office.
- (5) The City Manager shall:
 - (A) Appoint, suspend and remove all City employees and appointive administrative officers provided for in this Charter, except as otherwise provided by law, this Charter or personnel rules adopted pursuant thereto;
 - (B) Direct and supervise the administration of all departments, offices and agencies of the City, except as otherwise provided by law or this Charter;
 - (C) See that all state laws and city ordinances are effectively enforced;
 - (D) Attend all City Council meetings, with the right to take part in discussion, but the City Manager shall not vote;
 - (E) Prepare and accept, or designate an appropriate department head or City employee to prepare and accept, items for inclusion in the official agenda of all City Council meetings and meetings of all boards and commissions;
 - (F) Prepare and recommend to the City Council the annual budget and capital program, and administer the budget as adopted by the City Council;
 - (G) Keep the City Council fully advised at least quarterly as to the financial conditions and future needs of the City, and make such recommendations concerning the affairs of the City, as the City Manager or the City Council deems desirable or necessary;
 - (H) Make reports as the City Manager or the City Council may require concerning the operations of the City departments, offices, or agencies subject to the City Manager's direction or supervision; and
 - (I) Perform such other duties as are specified in this Charter or may be required by the City Council, and are consistent with this Charter or state or federal law.

SECTION 4.02 City Secretary

- (1) The City Council shall appoint or remove, without cause, the City Secretary, upon the affirmative vote of a majority of the full membership of the City Council.
- (2) The City Council shall fix the compensation of the City Secretary, and the City Secretary's compensation may be amended, from time to time, in accordance with the City Secretary's experience, qualifications and performance.
- (3) The City Secretary shall:
 - (A) Give notice of all official public meetings of the City Council in a manner consistent with this Charter and state laws;
 - (B) Attend all public meetings and hearings of the City Council;
 - (C) Keep the minutes of the proceedings of all public official meetings and hearings of the City Council in a manner prescribed by the City Council consistent with applicable law;
 - (D) Act as custodian of all official records of the City Council;
 - (E) Hold and maintain the seal of the City and affix this seal to all appropriate documents;
 - (F) Authenticate by signature and seal and record all ordinances, resolutions and proclamations of the City; and

- (G) Perform such other duties as may be required by the City Council consistent with this Charter and the laws of the State of Texas.

SECTION 4.03 Municipal Court

- (1) The City Council shall establish and cause to be maintained a Municipal Court. The Court shall have all the powers and duties as are now, or as may be, prescribed by the laws of the State of Texas.
- (2) The City Council shall appoint by the affirmative vote of a majority of the full membership of the City Council such Municipal Judges of the Municipal Court as may be necessary, all of whom shall be competent, duly qualified attorneys licensed and practicing for at least two (2) years in the State of Texas. In the event a duly qualified attorney is not available, the City Council shall then select a qualified person to be the Municipal Judge. The Municipal Judge(s) of the Municipal Court(s) shall be appointed to a term of two (2) years and may be appointed to additional consecutive terms upon completion of his/her/their term(s) of office. The appointment of the Municipal Judge(s) may be terminated, without cause, at any time by the affirmative vote of a majority of the full membership of the City Council. The Municipal Judge(s) shall receive compensation as may be determined by the City Council.
- (3) In the event of failure of any Municipal Judge to perform his or her duties, the Mayor shall act in the Municipal Judge's place and stead (and in the event of a vacancy, until a Municipal Judge is appointed by the City Council to fill the vacancy). If the Mayor acts as Municipal Judge, the Mayor shall be compensated at the same salary, if any, as the Municipal Judge for whom the Mayor is acting.
- (4) The Clerk and Deputy Clerks of the Municipal Court(s) shall have the power to administer oaths, certify affidavits, make certificates, affix the seal of the Court, and perform all usual and necessary clerical acts in conducting the business of the Court(s) including but not limited to, the keeping of records and accounts of the Municipal Court(s).
- (5) All special expenses and fines imposed by the Municipal Court(s) shall be paid into the City Treasury for the use and benefit of the City, as may be consistent with present and future laws.

SECTION 4.04 City Attorney

- (1) The City Council shall appoint by the affirmative vote of a majority of the full membership of the City Council a competent, duly qualified licensed and practicing attorney in the State of Texas who shall serve as the City Attorney.
- (2) The City Attorney shall:
 - (A) Serve as the legal advisor to the City Council and City Manager;
 - (B) Represent the City in litigation and legal proceedings as directed by the City Council and the City Manager; and
 - (C) Review and provide opinions as requested by the City Council or City Manager on contracts, legal instruments, ordinances of the City and other City business.
- (3) The City Council shall have the right to retain special counsel at any time that it may deem necessary and appropriate.

- (4) The City Attorney and Special Counsel shall receive compensation as may be determined by the City Council.
- (5) The City Attorney, with approval of the City Council, may select additional attorneys to act for him and the City in its representation and/or litigation.
- (6) The City Attorney may be removed, without cause, by the affirmative vote of a majority of the full membership of the City Council.

SECTION 4.05 Administrative Departments, Offices and Agencies

- (1) The City Council may, after hearing recommendations of the City Manager, establish, abolish, redesignate and/or combine departments, offices or agencies in addition to those provided for by this Charter, and may prescribe the functions and duties of such departments, offices and agencies.
- (2) Except as provided elsewhere in this Charter, all departments, offices and agencies of the City shall be under the direction and supervision of the City Manager, and shall be administered by officers appointed by and subject to the direction and supervision of the City Manager. The City Manager may, with the consent of the City Council, serve as the head of one (1) or more City departments, offices or agencies or appoint one (1) person as head of two (2) or more of them.
- (3) The City Manager may appoint a City Tax Collector, whose duties and functions shall be those usual to the office and consistent to existing or future laws of the State of Texas as they may apply to City or County Tax Collectors. The City Manager may recommend that the City Council enter into an outside contract for such services.

SECTION 4.06 Personnel System

- (1) Personnel rules shall be prepared by the City Manager and presented to the City Council, who may adopt them by ordinance, with or without amendment. The adopted rules shall establish the City as an Equal Opportunity Employer and shall govern the equitable administration of the Personnel System of the City.
- (2) The adopted rules shall provide for the following requirements:
 - (A) A pay and benefit plan for all City employment positions;
 - (B) A plan for working hours, attendance policy and regulation and provision for sick and vacation leave;
 - (C) Procedure for the hearing and adjudication of grievances;
 - (D) Additional practices and procedures necessary to the beneficial and equitable administration of the City's personnel system; and
 - (E) A plan for annual oral and written evaluation based on a job description for all City employees by their immediate supervisor, including evaluation of the City Manager, City Secretary, Municipal Judge, and City Attorney by the City Council.

ARTICLE V

Nominations and Elections

SECTION 5.01 City Elections

- (1) All City elections shall be conducted in accordance with the Texas Election Code.
- (2) The regular City election shall be held annually on the first Saturday in May or such other date as required by the Texas Election Code. The City Council shall be responsible for specification of places for holding such elections.
- (3) The City Council may, by resolution, order a special election for purposes consistent with this Charter and laws of the State of Texas. The City Council will fix the time and places for such a special election, and provide all means for holding same.
- (4) Municipal elections shall be conducted by election officials appointed by the City Council, or as prescribed by law. Sample ballots identical in format to those used in the specific election shall be posted in the voting place(s) for the purpose of voter orientation.
- (5) All municipal elections shall be publicized in accordance with the Texas Election Code.
- (6) A sample ballot shall be published twice in the official newspaper of the City.

SECTION 5.02 Filing for Office

- (1) Candidates for elective City offices shall file for office in accordance with the Texas Election Code.
- (2) Candidates for elective City offices shall meet the following qualifications:
 - (A) Shall be at least twenty-one (21) years of age at the time of the election for which they are filing;
 - (B) Shall be a qualified voter;
 - (C) Shall have resided within the corporate limits of the City, or recently annexed territory, for at least twelve months prior to the filing date;
 - (D) Shall not, at the time of filing or while in office, be in arrears in payment of taxes or other liabilities due the City after notice of any delinquency;
 - (E) No candidate may file in a single election for more than one (1) office or position as provided by this Charter;
 - (F) No employee of the City shall continue in such position after filing for an elective office provided for in this Charter;
 - (G) The office of an incumbent elected City official shall become vacant when the person holding such office files an application to have his or her name placed on an official ballot as a candidate for any elective public office other than the one such person holds, unless otherwise prohibited by law; and
 - (H) Shall comply with all other City ordinances or resolutions that may be applicable.

SECTION 5.03 Official Ballots

- (1) The name of each candidate seeking elective office, except those who have withdrawn, died, or become ineligible, shall be printed on the official ballot in the

form designated by the candidate in accordance with the Texas Election Code. If two (2) or more candidates have the same surname, their residence addresses shall be printed with their names on the ballot.

- (2) The order of the names of the candidates on the ballot shall be determined by lot in a public drawing to be held under the supervision of the person performing the duties of the City Secretary in accordance with the Texas Election Code.
- (3) Procedures for voting by absentee ballot shall be consistent with the Texas Election Code.
- (4) An ordinance, bond issue, or Charter amendment to be voted on by the voters of the City shall be presented for voting by ballot title. The ballot title of a measure may be different from its legal title and shall be a clear, concise statement, approved by the City Council, describing the substance of the measure without argument or prejudice.
- (5) Procedures for write-in votes shall be consistent with the Texas Election Code.

SECTION 5.04 Official Results

- (1) The candidate for elective office receiving a majority of the votes cast shall be declared the winner. In the event that no candidate receives a majority of all votes cast for any one place at such election, the City Council shall, upon completion of the official canvass of the ballots, issue a call for a runoff election to be held within thirty (30) days following the issuance of such call, or in accordance with the Texas Election Code. At such runoff election, the two (2) candidates receiving the highest number of votes (or three (3) persons in case of tie for second place) for any one place in the first election shall again be voted for.
- (2) The returns of every municipal election shall be handled in accordance with the Texas Election Code. These returns shall be delivered from the election judges to the person performing the duties of the City Secretary and the Mayor at City Hall as soon as possible after the closing of the polls. Election returns, general and special, shall be presented to the City Council at their next meeting following the election, at which time the City Council shall canvass and declare the results of the election, which shall be recorded in the minutes of the meeting.

SECTION 5.05 Taking of Office

- (1) Each newly elected person to the City Council shall be inducted into office at the first regular City Council meeting following the election.
- (2) At such meeting the oath shall be in accordance with the City Charter.

ARTICLE VI

Recall, Initiative, and Referendum

SECTION 6.01 Scope of Recall

Any elected City official, whether elected to office by qualified voters or appointed by the City Council to fill a vacancy, shall be subject to recall and removal from office by the qualified voters of the City on grounds of incompetency, misconduct, or malfeasance in office.

SECTION 6.02 Petitions for Recall

Before the question of recall of such officer shall be submitted to the qualified voters of the City, a petition demanding such question to be so submitted shall first be filed with the person performing duties of City Secretary, which said petition must be signed by thirty percent (30%) of the number of votes cast at the last regular City election, or one hundred and fifty (150), whichever is greater. Each signer of such recall petition shall personally sign his or her name thereto in ink or indelible pencil, and shall write after his or her name his or her place of residence, giving the name of the street and number, or place of residence, and shall also write thereon the day, the month, and the year his or her signature was affixed.

SECTION 6.03 Form of Recall Petition

The recall petition mentioned above must be addressed to the City Council of the City, must be distinctly and specifically pointed to the grounds upon which such petition for removal is predicated, and, if there be more than one (1) ground, said petition shall specifically state each ground with such certainty as to give the officer sought to be removed notice of the matters and things with which the officer is charged. The signature shall be verified by oath in the following form.

"State of Texas"

County of _____

I, _____, being first duly sworn, on oath depose and say that I am one of the signers of the above petition, and that the statements made therein are true, and that each signature appearing thereto was made in my presence on the day and date it purports to have been made, and I solemnly swear that the same is the genuine signature of the person it purports to be.

Signature

Sworn and subscribed before me this _____ day of _____, 20____.

Signed _____
Notary Public in and for
State of Texas

SECTION 6.04 Various Papers Constituting Petition

The petition may consist of one (1) or more copies, or subscription lists, circulated separately, and the signatures thereto may be upon the paper or papers containing the form of petition, or upon other paper attached thereto. Verifications provided for in the next preceding section of this Article may be made by one (1) or more petitioners, and the several parts of copies of the petition may be filed separately and by different persons, but no signatures to such petition shall remain effective or be counted which were placed thereon more than forty-five (45) days prior to the filing of such petition or petitions with the person performing the duties of City Secretary. All papers comprising a recall petition shall be filed with the person performing the duties of City Secretary on the same day, and the said person performing the duties of City Secretary shall immediately notify, in writing, the officer so sought to be removed, by mailing such notice to the officer's City address.

SECTION 6.05 Presentation of Petition to the City Council

Within twenty-one (21) days after the date of the filing of the papers constituting the recall petition, the person performing the duties of City Secretary shall present such petition to the City Council of the City.

SECTION 6.06 Public Hearing to be Held

The officer whose removal is sought may, within seven (7) days after such recall petition has been presented to the City Council, request that a public hearing be held to permit him or her to present the facts pertinent to the charges specified in the recall petition. In this event, the City Council shall order such public hearing to be held, not less than five (5) days nor more than fifteen (15) days after receiving such request for a public hearing.

SECTION 6.07 Calling of Recall Election

If the officer whose removal is sought does not resign, then the City Council shall order an election and set the date for holding such recall election. The date selected for the recall election shall be in accordance with the Texas Election Code. If after the recall election date is established, the officer vacates his or her position, the election shall be cancelled.

SECTION 6.08 Ballots in Recall Election

Ballots used at recall elections shall conform to the following requirements:

- (1) With respect to each person whose removal is sought, the question shall be submitted: "Shall _____ be removed from the office of _____ by recall?"
- (2) Immediately below each such question there shall be printed the following words, one above the other, in the order indicated:
"Yes"
"No"

SECTION 6.09 Result of Recall Election.

If a majority of the votes cast at a recall election shall be "No", that is against the recall of the person named on the ballot, the officer shall continue in office for the remainder of his or her unexpired term, subject to recall as before. If a majority of the votes cast at such election be "Yes",

that is for the recall of the person named on the ballot, the officer shall, regardless of any technical defects in the recall petition, be deemed removed from office and the vacancy be filled by the City Council as provided in this Charter.

SECTION 6.10 Recall, Restrictions Thereon

No recall petition shall be filed against any officer of the City within three (3) months after the officer's election, nor within three (3) months after an election for such officer's recall.

SECTION 6.11 Failure of the City Council to Call an Election-Recall

In case that all the requirements of this Charter shall have been met and the City Council shall fail or refuse to receive the recall petition, or order such recall election, or discharge any other duties imposed on the City Council by the provisions of this Charter with reference to such recall, then the District Judge of Collin County, Texas, shall discharge any of such duties herein provided to be discharged by the person performing the duties of City Secretary or by the City Council.

SECTION 6.12 General Power of Initiative and Referendum

The qualified voters of the City, in addition to the method of legislation herein before provided, shall have the power of direct legislation by the initiative and referendum.

- (1) Initiative: Such power shall not extend to the budget or capital program or any ordinance not subject to initiative as provided by state law, relating to appropriation of money, issuing, of bonds, levy of taxes or salaries of City officers or employees.
- (2) Referendum: Such power shall not extend to the budget or capital program or any emergency ordinance or ordinance not subject to referendum as provided by state law, relating to appropriation of money, issuing of bonds, or levy of taxes.

SECTION 6.13 Initiative

Following a review by the City Attorney for enforceability and legality, qualified voters of the City may initiate legislation by submitting a petition addressed to the City Council which requests the submission of a proposed ordinance or resolution to a vote of the qualified voters of the City. Said petition must be signed by thirty percent (30%) of the number of votes cast at the last regular City election, or one hundred and fifty (150), whichever is greater, and each copy of the petition shall have attached to it a copy of the proposed legislation. The petition shall be signed in the same manner as recall petitions are signed, as provided in this Article, and shall be verified by oath in the manner and form provided for recall petitions in this Article. The petition may consist of one (1) or more copies as permitted for recall petitions. Such petition shall be filed with the person performing the duties of City Secretary. Within twenty-one (21) days after the filing of such petition, the person performing the duties of City Secretary shall present said petition and proposed ordinance or resolution to the City Council. Upon presentation to the City Council, it shall become the duty of the City Council, within two (2) regularly scheduled City Council meetings after the receipt thereof, to pass and adopt such ordinance or resolution without alteration as to meaning or effect in the opinion of the persons filing the petition, or to call a special election, to be held within thirty (30) days thereafter and/or on a date allowed under the Texas Election Code, at which the qualified voters of the City shall vote on the question of adopting or rejecting the proposed legislation. However, if any other municipal election is to be held within sixty (60) days after the filing of the petition, the question may be voted on at such election. Any election order so issued shall comply fully with the Texas Election Code. Unless otherwise provided by law, any election

for an initiative under this Charter shall be held on the first authorized uniform election date that occurs after the sixty-fifth (65th) day after the petition was presented to the City Council.

SECTION 6.14 Referendum

Qualified voters of the City may require that any ordinance or resolution, with the exception of ordinances or resolutions appropriating money or levying taxes, passed by the City Council be submitted to the voters of the City for approval or disapproval, by submitting a petition for this purpose within thirty (30) days after final passage of said ordinance or resolution, or within thirty (30) days after its publication. Said petition shall be addressed, signed, and verified as required for recall petitions in this Article and shall be submitted to the person performing the duties of City Secretary. Immediately upon the filing of such petition, the person performing the duties of City Secretary shall present said petition to the City Council. Thereupon the City Council shall immediately reconsider such ordinance or resolution and, if the City Council does not entirely repeal the same, shall submit it to popular vote as provided in Section 6.13 of this Charter. Pending the holding of such election, each ordinance or resolution shall be suspended from taking effect and shall not later take effect unless a majority of the qualified voters voting thereon at such election shall vote in favor thereof. Unless otherwise provided by law, any election for a referendum under this Charter shall be held on the first authorized uniform election date that occurs after the sixty-fifth (65th) day after the petition was presented to the City Council.

SECTION 6.15 Voluntary Submission of Legislation by the City Council

The City Council, upon its own motion and by the affirmative vote of a majority of the full membership of the City Council, may submit to popular vote at any election for adoption or rejection any proposed ordinance or resolution or measure, or may submit for repeal any existing ordinance, or resolution, or measure, in the same manner and with the same force and effect as provided in this Article for submission of petition, and may at its discretion call a special election for this purpose.

SECTION 6.16 Form of Ballots

The ballots used when voting upon such proposed and referred ordinance, resolutions or measures, shall set forth their nature sufficiently to identify them and shall also set forth upon separate lines the words:

"For the Ordinance" or
"Against the Ordinance" or
"For the Resolution" or
"Against the Resolution"

SECTION 6.17 Publication of Proposed and Referred Ordinances

The person performing the duties of City Secretary of the City shall publish at least twice in the official newspaper of the City the proposed or referred ordinance or resolution within fifteen (15) days before the date of the election, and shall give such other notices and do such other things relative to such election as are required by law in municipal elections and by the ordinance or resolution calling said election.

SECTION 6.18 Adoption of Ordinances

If a majority of the qualified voters voting on any proposed ordinance or resolution or measure shall vote in favor thereof, it shall thereupon or at any time fixed therein, become effective as a law or as a mandatory order of the City Council.

SECTION 6.19 Inconsistent Ordinances

If the provisions of two (2) or more proposed ordinances or resolutions approved at the same election are inconsistent, the ordinance or resolution receiving the highest number of votes shall prevail.

SECTION 6.20 Ordinances Passed by Popular Vote, Repeal or Amendment

No ordinance or resolution which may have been passed by the City Council upon a petition or adopted by popular vote under the provisions of this Article shall be repealed or amended except by the City Council in response to a referendum petition or by submission as provided by Section 6.15 of this Charter.

SECTION 6.21 Further Regulations by the City Council

The City Council may pass ordinances or resolutions providing other and further regulations for carrying out the provisions of this Article consistent herewith.

SECTION 6.22 Franchise Ordinances

Nothing contained in this Article shall be construed to be in conflict with any of the provisions of this Charter, pertaining to ordinances granting franchises when valuable rights shall have accrued thereunder.

SECTION 6.23 Failure of the City Council to Call an Election-Initiative or Referendum

In case that all of the requirements of this Charter shall have been met and the City Council shall fail or refuse to receive the initiative or referendum petition, or order such initiative or referendum election, or discharge any other duties imposed on the City Council by the provisions of this Charter with reference to such initiative or referendum, then the District Judge of Collin County, Texas, shall discharge any of such duties herein provided to be discharged by the person performing the duties of City Secretary or by the City Council.

ARTICLE VII

Financial Procedures

SECTION 7.01 Fiscal Year

The fiscal year of the City shall begin on the first day of October and end on the last day of September on the next succeeding year. Such fiscal year shall also constitute the budget and accounting year.

SECTION 7.02 Submission of Budget and Budget Message

On or before the fifteenth (15th) day of August of the fiscal year, the City Manager shall submit to the City Council a budget for the ensuing fiscal year and an accompanying budget message.

SECTION 7.03 Budget Message

The City Manager's message shall explain the budget both in fiscal terms and in terms of the work programs. It shall outline the proposed financial policies of the City for the ensuing fiscal year, describe the important features of the budget, indicate any major changes from the current year in financial policies, expenditures, and revenues together with the reasons for such changes, summarize the City's debt position and include such other material as the City Manager deems desirable.

SECTION 7.04 Budget a Public Record

The budget and all supporting schedules shall be filed with the person performing the duties of City Secretary when submitted to the City Council and shall be open to public inspection by anyone interested.

SECTION 7.05 Public Hearing on Budget

At the City Council meeting when the budget is submitted, the City Council shall name the date and place of a public hearing and shall have published in the official newspaper of the City, at least twice, the time and place, which will be not less than ten days nor more than thirty (30) days after the date of notice. At this hearing, interested citizens may express their opinions concerning items of expenditures, giving their reasons for wishing to increase or decrease any items of expense.

SECTION 7.06 Proceeding on Adoption of Budget

After public hearing, the City Council shall analyze the budget, making any additions or deletions which they feel appropriate, and shall, at least ten (10) days prior to the beginning of the next fiscal year, adopt the budget by the affirmative vote of a majority of the full membership of the City Council. Should the City Council take no final action on or prior to such day, the current budget shall be in force on a month-to-month basis until a new budget is adopted.

SECTION 7.07 Budget, Appropriation and Amount to be Raised by Taxation

On final adoption, the budget shall be in effect for the budget year. Final adoption of the budget by the City Council shall constitute the official appropriations as proposed by expenditures for the current year and shall constitute the basis of official levy of the property tax as the amount of tax to be assessed and collected for the corresponding tax year. Estimated expenditures will in no case exceed proposed revenue plus cash on hand. Unused appropriations may be transferred to any item required for the same general purpose.

SECTION 7.08 Contingent Appropriation

Provision shall be made in the annual budget and in the appropriation ordinance for a contingent appropriation in an amount not more than three percent (3%) of the total general fund expenditures, to be used in case of unforeseen items of expenditures. This contingent appropriation shall apply to current operating expenses and shall not include any reserve funds of the City. Such contingent appropriation shall be under the control of the City Manager and distributed by him only after prior approval by the City Council. The proceeds of the contingent appropriation shall be disbursed only

by transfer to other departmental appropriation, the spending of which shall be charged to the departments or activities for which the appropriations are made.

SECTION 7.09 Amending the Budget

Under conditions which may arise and which could not reasonably have been foreseen in the normal process of planning the budget, the City Council may, by the affirmative vote of a majority of the full membership of the City Council, amend or change the budget to provide for any additional expense in which the general welfare of the citizenry is involved. These amendments shall be by ordinance, and shall become an attachment to the original budget.

SECTION 7.10 Certification; Copies Made Available

A copy of the budget, as finally adopted, shall be filed with the person performing the duties of City Secretary and such other places required by state law or as the City Council shall designate. The final budget shall be printed or otherwise reproduced and sufficient copies shall be made available for the use of all offices, agencies, and for the use of interested persons and civic organizations.

SECTION 7.11 Capital Program

The City Manager shall submit a five-year (5-year) capital program as an attachment to the annual budget. The program as submitted shall include:

- (1) A clear general summary of its contents;
- (2) A list of all capital improvements which are proposed to be undertaken during the five fiscal years succeeding the budget year, with appropriate supporting information as to the necessity for such improvements;
- (3) Cost estimates, method of financing, and recommended time schedules for each improvement; and
- (4) The estimated annual cost of operating and maintaining the facilities to be constructed or acquired. The above information may be revised and extended each year with regard to capital improvements still pending or in process of construction or acquisition.

SECTION 7.12 Defect Shall Not Invalidate the Tax Levy

Errors or defects in the form or preparation of the budget or the failure to perform any procedural requirements shall not nullify the tax levy or the tax rate.

SECTION 7.13 Lapse of Appropriations

Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made had been accomplished or abandoned. The purpose of any such appropriation shall be deemed abandoned if three (3) years pass without any disbursement from or encumbrance of the appropriation. Any funds not expended, disbursed or encumbered shall be deemed excess funds.

SECTION 7.14 Borrowing

- (1) The City shall have the right and power, except as prohibited by law or this Charter, to borrow money by whatever method it may deem to be in the public interest.

- (2) General Obligation Bonds:
- (A) The City shall have the power to borrow money on the credit of the City and to issue general obligation bonds for permanent public improvements or any other public purpose not prohibited by law and this Charter, and to issue refunding bonds to refund outstanding bonds previously issued. All such bonds shall be issued in conformity with the laws of the State of Texas and shall be used only for purposes for which they were issued.
 - (B) Any bonds issued under the provisions of this Section shall not be issued without an election. The City Council shall prescribe the procedure for calling and holding such elections, shall define the voting precincts and shall provide for the return and canvass of the ballots cast at such elections.
 - (C) If at such elections a majority of the vote shall be in favor of creating such a debt or refunding outstanding valid bonds of the City, it shall be lawful for the City Council to issue bonds as proposed in the ordinance submitting same. However, if a majority of the voted polled shall be against the creation of such debt or refunding such bonds, the City Council shall be without authority to issue the bonds. In all cases when the City Council shall order an election for the issuance of bonds of the City, it shall at the same time submit the question of whether or not a tax shall be levied upon the property within the City for the purpose of paying the interest on the bonds and to create a sinking fund for their redemption.
- (3) Revenue Bonds:
- The City shall have the power to borrow money for the purpose of constructing, purchasing, improving, extending or repairing of public utilities, or any other self-liquidating municipal function not prohibited by the Constitution and the laws of the State of Texas. With an affirmative vote of at least five (5) Council Members, it shall have the power to issue revenue bonds and to evidence the obligation created thereby. Such bonds shall be a charge upon and payable from the properties, or interest therein pledged, or the income therein gained from, or both. The holders of the revenue bonds shall never have the right to demand payment thereof out of monies raised or to be raised by taxation. All such bonds shall be issued in conformity with the laws of the State of Texas and shall be used only for the purpose for which they were issued.
- (4) Emergency Funding:
- In any budget year, the City Council may, by affirmative vote of at least five (5) Council Members, authorize the borrowing of money. Notes may be issued which are repayable not later than the end of the current fiscal year.

SECTION 7.15 Purchasing

- (1) The City Council may by ordinance, give the City Manager general authority to contract for expenditure without further approval of the City Council for all budgeted items not exceeding limits set by the City Council within the ordinance.
- (2) All contracts for expenditures or purchases involving more than the limits must be expressly approved in advance by the City Council. All contracts or purchases involving more than the limits set by the City Council shall be awarded by the City Council, in accordance with state law.

- (3) Emergency contracts as authorized by law and this Charter may be negotiated by the City Council or City Manager if given authority by the City Council, without competitive bidding, and in accordance with state law. Such emergency shall be declared by the City Manager and approved by the City Council, or may be declared by the City Council.

SECTION 7.16 Administration of Budget

- (1) No payment shall be made or obligation incurred against any allotment or appropriation except in accordance with appropriations duly made, unless the City Manager, or the City Manager's designee, first certifies that there is a sufficient unencumbered balance in such allotment or appropriation and that sufficient funds therefrom are or will be available to cover the claim or meet the obligation when it becomes due and payable.
- (2) Any authorization of payment or incurring of obligation in violation of the provisions of this Charter shall be void and any payment so made illegal. Such action shall be cause for removal of any officer who knowingly authorized or made such payment or incurred such payment or obligation, and the officer shall also be liable to the City for any amount so paid.
- (3) This prohibition shall not be construed to prevent the making or authorizing of payments, or making of contracts for capital improvements to be financed wholly or partly by the issuance of bonds, time warrants, certificates of indebtedness, or certificates of obligation, or to prevent the making of any contract or lease providing for payments beyond the end of the fiscal year, providing that such action is made or approved by ordinance.
- (4) The City Manager shall submit to the City Council each month a report covering the revenues and expenditures of the City in such form as requested by the City Council.

SECTION 7.17 Depository

All monies received by any person, department or agency of the City for or in connection with the affairs of the City shall be deposited promptly in the City depository or depositories. The City depositories shall be designated by the City Council in accordance with such regulations and subject to the requirements as to security for deposits and interest thereon as may be established by ordinance and law. Procedures for withdrawal of money or the disbursement of funds from the City depositories shall be prescribed by ordinance.

SECTION 7.18 Independent Audit

At the close of each fiscal year, and at such other times as may be deemed necessary, the City Council shall call for an independent audit to be all accounts of the City by a certified public accountant. No more than five (5) consecutive annual audits shall be completed by the same firm. The certified public accountant selected shall have no personal interest, directly or indirectly, in the financial affairs of the City or any of its officers. The report of audit, with the auditor's recommendations will be made to the City Council. Upon completion of the audit, the summary shall be published immediately in the official newspaper of the City and copies of the audit placed on file in the office of the person performing the duties of City Secretary, as a public record.

SECTION 7.19 Power to Tax

- (1) The City shall have the power to levy, assess and collect taxes of every character and type for any municipal purpose not prohibited by the Constitution and laws of the State of Texas as now written or hereafter amended.
- (2) The City shall have the power to grant tax exemptions in accordance with the laws of the State of Texas.

SECTION 7.20 Office of Tax Collector

There shall be an office of taxation to collect taxes, the head of which shall be the City Tax Collector. The City Council may contract for such services.

SECTION 7.21 Taxes; When Due and Payable

- (1) All taxes due in the City shall be payable at the office of the City Tax Collector, or at such location or locations as may be designated by the City Council, and may be paid at any time after the tax rolls for the year have been completed and approved. Taxes for each year shall be paid before February 1 of the next succeeding year, and all such taxes not paid prior to that date shall be deemed delinquent, and shall be subject to penalty and interest as the City Council shall provide by ordinance. The City Council may provide discounts for the payment of taxes prior to January 1 in amount not to exceed those established by the laws of the State of Texas.
- (2) Failure to levy and assess taxes through omission in preparing the appraisal rolls shall not relieve the person, firm or corporation so omitted from obligation to pay such current or past due taxes as shown to be payable by recheck of the rolls and receipts for the years in question, omitting penalty and interest.

SECTION 7.22 Tax Liens, Liabilities and Suits

- (1) All taxable property located in the City on January 1 of each year shall stand charged from that date with a special lien in favor of the City for the taxes due. All persons purchasing any such property on or after January 1 in any year shall take the property subject to the liens provided above. In addition to the liens herein provided, on January 1 of any year, the owner of property subject to taxation by the City shall be personally liable for the taxes due for that year.
- (2) The City shall have the power to sue for and recover personal judgment for taxes without foreclosure, or to foreclose its lien or liens, or to recover both personal judgment and foreclosure. In any such suit where it appears that the description of any property in the City appraisal rolls is insufficient to identify such property, the City shall have the right to plead a good description of the property to be assessed, to prove the same, and to have its judgment foreclosing the tax lien or for personal judgment against the owners for such taxes.

ARTICLE VIII

Boards and Commissions

SECTION 8.01 Authority, Composition and Procedures

- (1) The City Council shall create, establish or appoint, as may be required by the laws of the State of Texas or this Charter, or deemed desirable by the City Council, such boards, commissions and committees as it deems necessary to carry out the functions and obligations of the City. The City Council shall, by ordinance or resolution, prescribe the purpose, composition, function, duties, accountability and tenure of each board, commission and committee where such are not prescribed by law or this Charter.
- (2) Individuals who are qualified voters in the City maybe appointed by the City Council to serve on one (1) or more boards, commissions or committees. Such appointees shall serve at the pleasure of the City Council and may be removed at the discretion of the City Council. Except as otherwise provided in this Charter, members of any such board, commission or committee shall serve without compensation but may be reimbursed for actual expenses as approved by the City Council.
- (3) All boards, commissions or committees of the City shall keep and maintain minutes of any proceedings held and shall submit a written report of such proceedings to the City Council no more than three (3) weeks following each meeting.
- (4) No officer or employee of the City nor any person who holds a compensated appointive position with the City shall be appointed to any board, commission or committee created or established by this Charter other than in an advisory capacity.
- (5) Any member of a board, commission or committee who is absent from three (3) consecutive regular meetings, or twenty-five percent (25%) of regularly scheduled meetings during the twelve-month (12-month) period immediately preceding and including the absence in question, without explanation acceptable to a majority of the other members shall forfeit his or her position on the board, commission, or committee.

ARTICLE IX

Planning & Zoning Commission

SECTION 9.01 Organization

- (1) There is hereby established a Planning & Zoning Commission which shall consist of at least seven (7) members who shall be appointed by the City Council to staggered terms of two (2) years in accordance with the existing zoning ordinance. The Commission members shall be qualified City voters. No member shall serve on the Commission for more than three (3) completed consecutive terms, exclusive of any unexpired term to which the member may have been appointed to fill due to a

vacancy on the Commission. Any vacancy occurring during the unexpired term of a member shall be filled by the City Council for the remainder of the unexpired term. In July of each year, the Commission shall elect from its members a Chairman, Vice Chairman, and Secretary to serve for one (1) year beginning in that month. Members of the Commission may be removed, without cause, by an affirmative vote of a majority of the full membership of the City Council.

- (2) The Commission shall meet at least once a month. The Commission shall keep minutes of its proceedings which shall be of public record. Minutes will be recorded by the Commission Secretary. The Commission shall serve without compensation.
- (3) Four (4) voting Commission members shall constitute a quorum for the purpose of transaction of business. No action or recommendation of the Commission, except as specifically provided in this Charter, shall be valid or binding unless adopted by the affirmative vote of a majority of the Commission members present. The Chairman shall not be considered a voting member of the Commission, except in the case of a tie, he or she shall cast the deciding vote, but shall have no power to veto.

SECTION 9.02 Duties and Powers

- (1) The Commission shall be responsible to and act as an advisory board to the City Council. The Commission shall:
 - (A) Review all current and proposed ordinances and amendments pertaining to planning and zoning and make recommendations to the City Council for action to be taken;
 - (B) Make proposals to the City Council to amend, extend and add to the Comprehensive Plan for the physical development of the City;
 - (C) Keep public records of its resolutions, findings and determinations; and
 - (D) Review plats and zoning requests and make recommendations to the City Council for final adoption of same.
- (2) The Commission, shall have full power to:
 - (A) Exercise the authority of the Commission as provided by state law, this Charter and City ordinances;
 - (B) Make reports and recommendations relating to the Comprehensive Plan and development of the City; and
 - (C) Adopt plats, if it has been given that authority by the City Council.
- (3) A vote of three-fourths ($3/4^{\text{th}}$ s) of the Council Members present, or four (4) votes, whichever is greater is required to overrule a recommendation of the Commission that a proposed zoning amendment, supplement, or change be denied.

SECTION 9.03 Procedure

- (1) Each August, all rules and regulations adopted by the Commission shall be forwarded in writing to the City Manager who shall submit them to the City Council with the City Manager's recommendations. The City Council may amend, adopt or reject any such rules or regulations. If any rules or regulations should be rejected, the Commission may modify them and submit such modified rules and recommendations to the City Council.
- (2) Should any person on the Commission have a conflict of interest, pursuant to any state laws and/or City ordinances regulating conflicts of interest of municipal

officers, with an agenda item then before the Commission, he or she shall openly declare same before discussion proceeds, and he or she is thereby prohibited from discussing the item or voting on the question, and is not considered as present and voting for the purposes of the tally.

- (3) Should any person on the Commission choose to abstain from voting on any question before the Commission, where no conflict of interest exists, the person's vote shall be recorded as a negative vote in the official minutes of the meeting.

SECTION 9.04 The Comprehensive Plan: Procedure and Legal Effect

- (1) The Comprehensive Plan shall include, but not be limited to, the Future Land Use Plan, Thoroughfare Use Plan, and Parks and Open Space Plan. The existing Comprehensive Plan for the physical development of the City contains recommendations for the growth, development and beautification of the City and its extraterritorial jurisdiction. Additions to and amendments of the Comprehensive Plan shall be by ordinance or resolution, but before any such revision, the Commission shall hold at least one (1) public hearing on the proposed action.
- (2) A copy of the proposed revisions to the Comprehensive Plan shall be forwarded to the City Manager who shall submit the proposal to the City Council, together with the City Manager's recommendations, if any. The City Council, after a public hearing, shall adopt or reject such proposed revision or any part thereof as submitted within sixty (60) days following its submission by the City Manager. If the proposed revisions or part thereof should be rejected by the City Council, the City Council may request the Commission to make other modifications and again forward it to the City Manager for submission to the City Council.
- (3) Following the adoption by the City Council of the Comprehensive Plan, and any revisions thereto, it shall serve as a guide to all future City Council action concerning land use and development regulations and expenditures for capital improvements. Any proposal which deviates from the Comprehensive Plan shall not be authorized until and unless the location and extent thereof shall have been submitted to and approved by the Commission. In case of denial, the Commission shall communicate its reasons to the City Council, which shall have the power to overrule such denial with a vote of three-fourths (3/4^{ths}) of the Council Members present, or four (4) votes, whichever is greater, and upon such overruling, the City Council or the appropriate office, department or agency shall have authority to proceed.

SECTION 9.05 Board of Adjustment

The City Council shall create and establish a board of adjustment. The City Council shall, by ordinance, provide standards and procedures for such board to hear and determine appeals of administrative decisions, petition for variances in the case of peculiar and unusual circumstances which would prevent the reasonable use of land and such other matters as may be required by the City Council or by law. Appointment and removal of members of the board of adjustment shall be in accordance with the provisions of Article VIII, Sec. 8.01 (2) of this Charter and state law.

ARTICLE X

Utility and Public Service Franchises and Licenses

SECTION 10.01 Authority

The City shall have the power to buy, own, and sell, construct, lease, maintain, operate and regulate public services and utilities and to manufacture, distribute and sell the output of such services and utility operations. The City shall not supply any utilities service outside the City limits, except by a written contract. The City shall have such regulatory and other power as may now or hereafter be granted under the Constitution and laws of the State of Texas.

SECTION 10.02 Ordinance Granting Franchise

No franchise shall be granted for a term of more than twenty (20) years from the date of the grant, renewal or extension of any franchise.

SECTION 10.03 Transfer of Franchise

No public service or utility franchise is transferable, except with the approval of the City Council. However, the franchisee may pledge franchise assets as security for a valid debt or mortgage.

SECTION 10.04 Franchise Value Not to be Allowed

Franchises granted by the City are of no value in fixing rates and charges for public services or utilities within the City and in determining just compensation to be paid by the City for property which the City may acquire by condemnation or otherwise.

SECTION 10.05 Right of Regulation

In granting, amending, renewing and extending public service and utility franchises, the City reserves unto itself all the usual and customary rights, including, but not limited to, the following rights:

- (1) To repeal the franchise by ordinance for failure to begin construction or operation within the time prescribed, or for failure to comply with terms of the franchise;
- (2) To require all extensions of service within the City limits to become part of the aggregate property of the service and operate subject to all obligations and reserved rights contained in this Charter. Any such extension is considered part of the original grant and terminable at the same time and under the same conditions as the original grant;
- (3) To require expansion and extension of facilities and services and to require maintenance of existing facilities to provide adequate service at the highest level of efficiency;
- (4) To require reasonable standards of service and quality of product and prevent rate discrimination;
- (5) To impose reasonable regulations and restrictions to insure the safety and welfare of the public;
- (6) To examine and audit accounts and records and to require annual reports on local operations of the public service or utility;

- (7) To require the franchisee to restore, at franchisee's expense, all public or private property to a condition as good as or better than before disturbed by the franchisee for construction, repair or removal;
- (8) To require the franchisee to furnish to the City, from time to time within a reasonable time following request of the City, at franchisee's expense a general map outlining current location, character, size, length, depth, height and terminal of all facilities over and under property within the City and its extraterritorial jurisdiction; and
- (9) To require compensation, rent or franchise fees to be paid to the City as may be permitted by the laws of the State of Texas.

SECTION 10.06 Regulation of Rates

- (1) The City Council has the power to fix and regulate the rates and charges of all utilities and public services, consistent with state statutes.
- (2) Upon receiving written request from a utility or public service requesting a change in rates, or upon a recommendation from the City that rates for services provided by or owned by the City be changed, the City Council shall call a public hearing for consideration of the change.
- (3) The City, public service or utility must show the necessity for the change by any evidence required by the City Council, including but not limited to, the following:
 - (A) Cost of its investment for service to the City;
 - (B) Amount and character of expenses and revenues connected with rendering the service;
 - (C) Copies of any reports or returns filed with any state or federal regulatory agency within the last three (3) years; or
 - (D) Demonstration that the return on investment, if any, is within state and federal limitations.
- (4) If not satisfied with the sufficiency of evidence, the City Council may hire rate consultants, auditors and attorneys to investigate and, if necessary, litigate requests for rate changes, the expense of which shall be reimbursed to the City by the franchisee.

SECTION 10.07 Licenses

The City shall have the power to license, levy and collect fees in order to license any lawful business, occupation or calling subject to control pursuant to the police powers of the State of Texas and/or for any other purpose not contrary to the Constitution and laws of the State of Texas.

ARTICLE XI

General Provisions

SECTION 11.01 Public Records

All records of the City shall be open to inspection in accordance with state law.

SECTION 11.02 Official Newspaper

The City Council shall declare annually an official newspaper of general circulation in the City. All ordinances, notices and other matters required by this Charter, City ordinance, or the Constitution and laws of the State of Texas shall be published in the official newspaper.

SECTION 11.03 Oaths

All elected and appointed officers of the City shall take and sign an oath of office based on those prescribed for state elective and appointive offices, respectively, in the Constitution of the State of Texas.

SECTION 11.04 Severability

If any section or part of this Charter is held invalid by a court of competent jurisdiction, such holding shall not invalidate or impair the validity, force or effect of any other section or part of this Charter.

SECTION 11.05 Wording Interpretation

The gender of the wording throughout this Charter shall always be interpreted to mean either sex. All singular words shall include the plural and all plural words shall include the singular. All references to the state law or laws of the State of Texas, however expressed in this Charter, shall mean "as presently enacted or as may be amended or superceded". The use of the word "City" in this Charter shall mean the City of Frisco, Texas, and the use of the word "Charter" shall mean this Home Rule Charter.

SECTION 11.06 Amendment of Charter

Amendments to this Charter may be framed and submitted to the qualified voters of the City in the manner provided by the Constitution and the laws of the State of Texas as presently enacted or hereafter amended; including upon petition by five percent (5%) of the qualified voters or twenty-thousand (20,000) qualified voters, whichever is less; but, no more often than once every two (2) years, as provided by the laws of the State of Texas.

SECTION 11.07 Charter Review Commission

- (1) The City Council shall appoint a Charter Review Commission at least once every six (6) years. The Charter Review Commission shall consist of ten (10) citizens of the City who shall:
 - (A) Inquire into the operation of the City government under the Charter and determine whether any provisions require revision. To this end, public hearings may be held. The Commission may compel the attendance of any officer or employee of the City and require submission of any City records;
 - (B) Propose any recommendations it deems desirable to insure compliance with the Charter of the City government; and
 - (C) Report its findings and present its recommendations to the City Council.
- (2) The City Council shall receive and have published in the official newspaper of the City a comprehensive summary of the report presented by the Commission, shall consider any recommendations made, and may order any amendments suggested to be submitted to the voters of the City in the manner provided by state law as now written or hereafter amended.

- (3) The term of office of the Commission shall be for not more than six (6) months, at the end of which time a report shall be presented to the City Council and all records of proceedings of the Commission shall be filed with the City Secretary and become a public record.

SECTION 11.08 City Depository

The provisions of the laws of the State of Texas, governing the selection and designation of the City Depository are hereby adopted as the law governing the selection and designation of a depository of and for the City.

ARTICLE XII

Legal Provisions

SECTION 12.01 Assignment, Execution and Garnishment

- (1) Property, real and personal, belonging to the City shall not be liable to be sold or appropriated under any writ of execution or cost bill. Funds belonging to the City in the hands of any person, firm or corporation, shall not be liable to garnishment, attachment or sequestration; nor shall the City be liable to garnishment, attachment or sequestration; nor shall the City be liable to garnishment on account of any debt it may owe or funds or property it may have on hand owing to any person. Neither the City nor any of its officers or agents shall be required to answer any such writ of garnishment on any account whatsoever.
- (2) The City shall not be obligated to recognize any assignment of wages or funds by its employees, agents or contractors, except as provided by the laws of this State or the United States of America.

SECTION 12.02 Security and Bond

It shall not be necessary in any action, suit or proceeding in which the City is a party for any bond, undertaking or security to be demanded or executed by or on behalf of the City. All such actions shall be conducted in the same manner as if such bond, undertaking or security had been given as required by law.

SECTION 12.03 Notice of Claim

The City shall not be held liable on account of any claim for the death of any person or injuries to any person or damage to any property unless the person making such complaint or claiming such damages shall, within ninety (90) days after the time at which it is claimed such damages were inflicted upon such person or property, file with the City a written statement, under oath, stating the nature and character of such damages or injuries, the extent of the same, the place where same happened, the circumstances under which same happened and the condition causing same, with a detailed statement of each item of damages and the amount thereof, giving a list of any witnesses known by affiant to have seen the accident.

SECTION 12.04 Power to Settle Claims

The City Council shall have the power to compromise and settle any and all claims and lawsuits of every kind and character, in favor of, or against, the City, including suits by the City to recover delinquent taxes.

SECTION 12.05 Service of Process Against the City

All legal process against the City shall be served upon either the City Secretary or the City Manager.

SECTION 12.06 Judicial Notice

This Charter shall be deemed a public act, may be read in evidence without pleading or proof, and judicial notice shall be taken thereof in all courts and places.

SECTION 12.07 Pending Matters

All rights, claims, actions, orders, contracts and legal or administrative proceedings shall continue except as modified pursuant to the provisions of this Charter and in each case shall be maintained, carried on or dealt with by the City department, office or agency appropriate under this Charter.

SECTION 12.08 Property Not Exempt From Special Assessments

No property of any kind, by whomsoever owned or held or by whatsoever institution, agency, political subdivision or organization, owned or held, whether in trust or by non-profit organization, or corporation, or by foundation, or otherwise, (except property of the City), shall be exempt in any way from any of the special taxes, charges, levies and assessments, authorized or permitted by this Charter, for local improvements, for the public welfare.

SECTION 12.09 City Council May Require Bonds

In addition to any provisions contained herein, the City Council may require any City official, department director, or City employee, before entering upon his or her duties, to execute a good and sufficient bond with a surety company doing business in the State of Texas and approved by the City Council. The premium of such bond shall be paid by the City.

SECTION 12.10 Disaster Clause

In case of disaster when a legal quorum of the City Council cannot otherwise be assembled due to multiple deaths or injuries, the surviving persons of the City Council, or highest surviving City official, if no elected official remains, must within twenty-four (24) hours of such disaster, request the highest surviving officers of the local Chamber of Commerce and the Board of Trustees of the local school district, and the County Judge of Collin County to appoint a commission to act during the emergency and call a City election within fifteen (15) days of such disaster, or as provided in the Texas Election Code, for election of a required quorum, if for good reasons it is known a quorum of the present City Council will never again meet.

ARTICLE XIII

Transitional Provisions

SECTION 13.01 Effective Date

This Charter or any amendments hereto shall take effect immediately following adoption by the voters, as prescribed by state law.

SECTION 13.02 Continuation of Elective Offices

Upon adoption of this Charter, the present persons filling elective offices on the City Council will continue to fill those offices for the terms for which they were elected. Persons who, on the date this Charter is adopted, are filling appointive positions with the City which are retained under this Charter, may continue to fill these positions for the term for which they were appointed, unless removed by the City Council or by other means provided in this Charter.

SECTION 13.03 Continuation of Operation

All City ordinances, bonds resolutions, rules and regulations in force on the effective date of this Charter shall remain in force until altered, amended, or repealed by the City Council, and all rights of the City under existing franchises and contracts are preserved in full force and effect.

SECTION 13.04 Officers and Employees

Except as specifically provided, nothing in this Charter shall affect or impair the rights or privileges of persons who are City officers or employees at the time of its adoption.

ARTICLE XIV

Nepotism, Prohibitions and Penalties

SECTION 14.01 Nepotism

No person related within the second degree by affinity or within the third degree by consanguinity to the Mayor or any Council Member or the City Manager shall be employed by or contracted with for the City. This shall not apply to the following:

- (1) Any person employed by the City prior to the person related in the above degree filing to run for elective office or being nominated for an appointment, or
- (2) Any person who is a seasonal employee or intern of the City.

SECTION 14.02 Equality of Rights

Equality of rights under state and federal law shall not be denied or abridged with respect to appointment to or removal from any position.

SECTION 14.03 Wrongful Influence

No person who seeks appointment or promotion with respect to any City position shall, directly or indirectly, give, render or pay any money, service, or other valuable thing to any person for, or in connection with, his or her test, appointment or promotion.

SECTION 14.04 Wrongful Interference

No person shall willfully make any false statement, certificate, mark, rating or report in regard to any test, certification or appointment or attempt to commit any fraud preventing the impartial execution of the personnel provisions, rules and regulations of this Charter.

SECTION 14.05 Employee's Political Activities

No person who holds any compensated non-elective City position shall make, solicit or receive any contribution for any candidate for public office in the City, or take part in the management, affairs or political campaign of such candidate. Such person may exercise his or her rights as a citizen to express his or her opinion and cast his or her vote.

SECTION 14.06 Penalties

Any person who willfully engages in and is found in violation of any of the activities prohibited in sections 14.02, 14.03, 14.04 or 14.05 of this Article shall be ineligible for appointment or election to a position in the City for a period of five (5) years from that time. If the person is an officer or employee of the City at the time of the violation, he or she shall immediately forfeit his or her office or position, if found in violation.

SECTION 14.07 Indebtedness to City

No person who, after notice of any delinquency, shall be in arrears in the payment of taxes or any other liabilities due the City, shall be qualified to hold an appointive or compensative position of the City.

SECTION 14.08 Conflict of Interest

No officer, whether elected or appointed, or any employee, whether full or part-time, of the City shall have a substantial financial interest, direct or indirect, in any contract, other than employment contracts, with the City; or have a substantial financial interest, direct or indirect in the sale to the City of any land, materials, supplies or services, except on behalf of the City as an officer or employee, except as allowed by state law. Any willful violation of this section shall constitute malfeasance in office and any officer or employee found guilty thereof shall thereby forfeit his or her office or position. Any violation of this section with the knowledge, express or implied, of the person or the corporation contracting with the governing body of the City shall render the contract involved voidable by the City Manager or the City Council shall appoint by the affirmative vote of a majority of the full membership of the City Council.

SECTION 14.09 No Officer or Employee to Accept Gifts, Etc.

- (1) No officer or employee of the City shall ever accept directly or indirectly any gift, favor, or privilege during the term of office of such officer, or during employment of such employee. No officer or employee is prohibited from engaging in the following activities:

- (A) Attending social functions, ground breakings, or civic events pertinent to the public relations and operations of the City;
 - (B) Exchange gifts with his or her family and relatives;
 - (C) Receiving campaign contributions as provided for in the Texas Election Code;
 - (D) Exchanging gifts at church functions or City parties or functions where only City officers and employees and their families are invited or attend; or
 - (E) Exchanging gifts or receiving a bonus from his or her place of full-time employment.
- (2) Any officer or employee of the City who shall violate the provisions of this section shall be guilty of a misdemeanor and may be punished by any fine that may be prescribed by ordinance for this offense, and may forthwith be removed from office or employment.